

## ACT 150

H.B. NO. 2039-86

A Bill for an Act Relating to the Motor Vehicle Repair Industry.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 437B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§437B- Aiding or abetting.** Aiding or abetting an unregistered person to evade this chapter or knowingly combining or conspiring with an unregistered person, or allowing one’s registration to be used by an unregistered person, or acting as agent or partner or associate, or otherwise, of an unregistered person with the intent to evade this chapter, shall be a misdemeanor.”

SECTION 2. Section 437B-2, Hawaii Revised Statutes, is amended to read as follows:

**“[ [ ]§437B-2[ ] ] Applicability of chapter.** This chapter does not apply to:

- (1) Employees of the county, state, or federal governments[;] when carrying out the functions of governmental employment; or
- (2) Employees of a commercial or business enterprise who engage in the repair of motor vehicles which are owned, maintained, and operated exclusively by such commercial or business enterprise and which are not leased or rented to others; provided that [such] employees may voluntarily register pursuant to [the provisions of] this chapter.”

SECTION 3. Section 437B-9, Hawaii Revised Statutes, is amended to read as follows:

**“§437B-9 Fees: application; biennial renewals; registration.** (a) The fees for each application, original biennial registration, and renewal for the motor vehicle repair dealer and the motor vehicle mechanic shall be as provided in rules adopted by the department pursuant to chapter 91.

(b) Any motor vehicle repair dealer maintaining more than one motor vehicle repair facility shall separately register each repair facility and pay a fee for each facility.

(c) The renewal fee shall be paid to the board on or before June 30 of each odd-numbered year. Failure, neglect, or refusal of any registrant to pay the biennial renewal fee before the date shall constitute a forfeiture of the registration. Any registration may be restored upon written application therefor [within one year from the date] and the payment of the required fee plus an amount equal to fifty per cent thereof.

**(d) Upon written request of a registrant, the board may place that person’s active registration on an inactive status. The registrant, upon payment**

of the inactive registration fee, may continue inactive status for the biennial period. Failure, neglect, or refusal of any registrant on inactive status to pay the inactive registration fee shall constitute a forfeiture of the registration. The registration may be reactivated at any time during the biennial period by making written request to the board and by fulfilling all the requirements including payment of the appropriate fees.”

SECTION 4. Section 437B-26, Hawaii Revised Statutes, is amended to read as follows:

“[ [§437B-26] ] Bond required to work on [salvage,] salvaged, wrecked, or dismantled motor vehicles; forfeiture. (a) Any motor vehicle repair dealer desiring to engage in the business of restoring or rebuilding [salvage,] salvaged, wrecked, or dismantled vehicles shall submit to the board a performance bond, with corporate surety satisfactory to the board. The amount of the bond shall be not less than \$25,000 and the condition of the bond shall be the satisfactory rebuilding or restoration of [salvage,] salvaged, wrecked, or dismantled vehicles.

(b) When the board finds that a [licensee] registrant has wilfully departed from or disregarded accepted practices of workmanship with respect to work performed under section 437B-11(11), the board may, in accordance with chapter 91, order the forfeiture to the State of the performance bond submitted under subsection (a).

(c) Failure, refusal, or neglect to maintain in full force and effect a bond shall cause the automatic suspension of the registration effective as of the date of expiration or cancellation of the bond. The registration shall not be reinstated until a bond as required under this section is received by the board.

Failure to effect a reinstatement of a suspended registration within sixty days of the suspension shall cause the registration to be terminated, thereby forfeiting all registration and biennial renewal fees.

A registrant may, within fifteen calendar days after receipt of notification of the registration termination, request an administrative hearing pursuant to chapter 91 to review the termination.”

SECTION 5. Section 437B-6, Hawaii Revised Statutes, is repealed.

SECTION 6. Section 437B-18, Hawaii Revised Statutes, is repealed.

SECTION 7. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>1</sup>

SECTION 8. This Act shall take effect upon its approval.

(Approved May 13, 1986.)

**Note**

1. Edited pursuant to HRS §23G-16.5.